

2024-05-29

ORDER NO. ###

AN ORDER OF THE COMMISSIONERS COURT OF HOPKINS COUNTY, TEXAS, ORDERING THE COUNTY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE (ACT), PROVIDING TAX INCENTIVES, DESIGNATING A LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES, AND NOMINATING SIGNATURE SOLAR LLC TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM (EDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS AN ENTERPRISE PROJECT (PROJECT).

WHEREAS, the Commissioners Court of Hopkins County, Texas (County) desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in severely distressed areas of the city and to provide employment to residents of such area; and

WHEREAS, the project or activity is located in an area designated as an enterprise zone; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Act, Signature Solar LLC has applied to the County for designation as an enterprise project; and

WHEREAS, the County finds that Signature Solar LLC meets the criteria for tax relief and other incentives adopted by the County on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

WHEREAS, the County finds that it is in full compliance with Chapter 2303, Texas Government Code prior to nomination of an eligible business;

WHEREAS, a public hearing to consider this order was held by the Commissioners Court on May 29, 2024;

NOW, THEREFORE BE IT ORDAINED BY THE COMMISSIONERS COURT OF HOPKINS COUNTY, TEXAS THAT:

Section 1: The County nominates Signature Solar LLC for enterprise project status.

Section 2: The following local incentives, at the election of the governing body, are or will be made available to the nominated project or activity of the qualified business [list and summarize applicable incentives, including any of the incentives listed below]:

- a) The County may abate taxes on the increase in value of real property improvements and eligible personal property that locate in a designated enterprise zone. The level of abatement shall be based upon the extent to which the

business receiving the abatement creates jobs for qualified employees, in accordance with Hopkins County Tax Abatement Policy, and with qualified employee being defined by the Act.

Section 3: The enterprise zone areas within the County are reinvestment zones in accordance with the Texas Tax Code, Chapter 312.

Section 4: The Hopkins County Commissioners Court directs and designates its Executive Director of the Sulphur Springs – Hopkins County EDC as the County’s liaison to communicate and negotiate with the EDT through the Bank and enterprise project(s) and to oversee zone activities and communications with qualified businesses and other entities in an enterprise zone or affected by an enterprise project.

Section 5: The County finds that Signature Solar LLC meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

(a.) Signature Solar LLC is a “qualified business” under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site located in an enterprise zone in the governing body’s jurisdiction and at least twenty-five percent (25%) of the business’ new employees will be residents of an Enterprise Zone, economically disadvantaged individuals, or veterans; and

(a.) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and

(b.) The designation of Signature Solar LLC as an enterprise project will contribute significantly to the achievement of the plans of the County for development and revitalization of the area.

Section 6: The enterprise project shall take effect on the date of designation of the enterprise project by EDT and terminate on June 4, 2029 (*not less than one year, or more than five (5) years after the date of designation*).

Section 7: This order shall take effect immediately from and after its passage.

APPROVED AND ADOPTED this the 29th day of May, 2024.


Robert Newsom, County Judge

Attest:


Tracy Smith, County Clerk



***** NOTES *****

NOTE 1: THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES. CONSULTATION WITH YOUR CITY ATTORNEY IS STRONGLY RECOMMENDED.

NOTE 2: PURSUANT TO SB1205 PASSED DURING THE REGULAR SESSION OF THE 71ST LEGISLATURE, DESIGNATION OF AN ENTERPRISE ZONE AUTOMATICALLY DESIGNATES A REINVESTMENT ZONE FOR PURPOSES OF TAX ABATEMENT AFTER AUGUST 28, 1989. THE REINVESTMENT ZONE IS EFFECTIVE FOR THE LIFE OF THE ENTERPRISE ZONE. THE ESTABLISHMENT OF AN ENTERPRISE ZONE AND REINVESTMENT ZONE DOES NOT CREATE A MANDATE THAT AD VALOREM TAX ABATEMENT HAS TO BE OFFERED TO ANY PARTY. BEFORE A TAXING ENTITY MAY CREATE A REINVESTMENT ZONE, THE TAXING ENTITY MUST FIRST OFFICIALLY ADOPT "GUIDELINES AND CRITERIA" THAT SET THE TERMS AND CONDITIONS TO GUIDE TAX ABATEMENT AGREEMENTS. THE GUIDELINES AND CRITERIA MUST BE READOPTED EVERY TWO YEARS, IN ACCORDANCE WITH CHAPTER 312.002(c), TEXAS TAX CODE.

NOTE 3: STATUTE ONLY REQUIRES ONE READING. ADDITIONAL READINGS ARE NECESSARY ONLY IF REQUIRED BY YOUR COMMUNITY.

NOTE 4: PUBLIC HEARING MUST OCCUR BEFORE ORDINANCE OR ORDER IS PASSED.